

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

Industrial Investment Promotion Policy (IIPP) 2005-2010 —Extension for the existing cut off date from 31.03.2010 to 31.03.2012 for commencement of commercial production by Mega Projects which are under Pipeline under IIPP 2005-2010 – Amendment - Orders - Issued.

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**INDUSTRIES AND COMMERCE (IP) DEPARTMENT**

**G.O.Ms.No.50**

**Dated:11-02-2009**

Read the following:-

- 1) G.O.Ms.No.178, Ind. & Com. [IP] Department , dated 21-06-2005.
- 2) G.O.Ms.No. 328 Ind. & Com. [IP] Dept. dated.13.12.2005.
- 3) G.O.Ms.No.149 Ind. & Com. [IP] Dept. dated.20.06.2008.
- 4) Minutes of the State Investment Promotion Board (SIPB) Meeting held on 04.10.2008.
- 5) From the Commissioner of Industries, A.P. Hyderabad Single File.No.15-1-08-1272(3), dated.18.12.2008.

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**ORDER:**

In the Government Order 1<sup>st</sup> read above, Government have issued orders for various incentives/benefits to all eligible new industrial units set up in the State except in the Municipal Corporation limits of Visakhapatnam, Vijayawada and Hyderabad and commence commercial production on or after 01.04.2005 but before 31.03.2010. Projects involving substantial Expansion/ Diversification of existing industries in the eligible lines of activities are also entitled for benefits offered under the Industrial Investment Promotion Policy 2005-2010.

2) In the Government Order 2<sup>nd</sup> read above, Government have issued orders approving the operational guidelines for Industrial Investment Promotion Policy 2005-2010 (IIPP-2005-10) and in the Government Order 3<sup>rd</sup> read above, Government have issued a comprehensive order incorporating all modifications issued.

3) In the reference 4<sup>th</sup> read above, the State Investment Promotion Board (SIPB) in its meeting held on 04.10.2008 has decided as follows:-

- The issue relating to Mega Projects, which are in the pipeline or will start construction now. The Board noted that it would be difficult for these Mega Projects to commence Commercial Production before 31-03-2010 and fall within the IIPP 2005-10 period to avail incentives. The SIPB agreed to make such of those Mega Projects eligible for incentives under IIPP 2005-10, which achieve their financial closure before 31-03-2010 and have their Commercial production before 31-03-2012. A suitable policy in this regard may be formulated by the Industries & Commerce Department.

4) In the reference 5<sup>th</sup> read above, the Commissioner of Industries, Andhra Pradesh,. Hyderabad has reported that generally Mega Projects will have large gestation period varying from 2 to 3 years based on the kind of activity and the quantum of investment on the proposed project. There are number of Mega Projects which are under active implementation/Pipeline in the State. Representations are being received from the Mega Projects, who are likely to go into commercial Production beyond 31-03-2010, requesting to consider their proposal for incentives under Industrial Investment Promotion Policy (IIPP 2005-10) as they are in the process of actively implementing the project. The Commissioner of Industries, Andhra Pradesh, Hyderabad has requested to issue necessary orders.

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5). Keeping in view of the proposal of the Commissioner of Industries, Andhra Pradesh, Hyderabad and also based on the decision taken by the State Investment Promotion Board (SIPB) in the reference 4<sup>th</sup> read above, Government after careful examination hereby issue the following amendment to the para 4 of the Government Order 1<sup>st</sup> read above duly extending the existing cut off date from “31.03.2010 to 31.03.2012” for commencement of commercial production by Mega Projects which are under Pipeline status only subject to the following conditions to get Mega Project Pipeline status.

**AMENDMENT**

<b>Para Number of the Government Order</b>	<b>For</b>	<b>Read as</b>
Para No.4 of G.O.Ms. No.178, Industries & Commerce (IP) Deptt., Dated.:21/06/05	To promote Andhra Pradesh as attractive and competitive destination for industrial investments, the State Government have offered various incentives/benefits to all eligible new industrial units set up in the State except in the Municipal Corporation limits of Visakhapatnam, Vijayawada and Hyderabad and commence commercial production on or after 1.4.2005 but before 31-3-2010. Projects involving substantial Expansion/ Diversification of existing industries in the eligible lines of activities are also entitled for benefits offered under the policy. The list of ineligible Industries/activities as per G.O.Ms.No.9, Industries & Commerce (IP) Department, Dated: 5-1-2001 read with G.O.Ms.No.141, Industries & Commerce (IP) Department, Dated: 3-7-2004 is appended to, as Annexure II, till further modifications of the list.	To promote Andhra Pradesh as attractive and competitive destination for industrial investments, the State Government have offered various incentives/benefits to all eligible new industrial units set up in the State except in the Municipal Corporation limits of Visakhapatnam, Vijayawada and Hyderabad and commence commercial production on or after 1.4.2005 but before 31-3-2010. Projects involving substantial Expansion/ Diversification of existing industries in the eligible lines of activities are also entitled for benefits offered under the policy. The list of ineligible Industries/ activities as per G.O.Ms.No.9, Industries & Commerce (IP) Department, Dated: 5-1-2001 read with G.O.Ms.No.141, Industries & Commerce (IP) Department, Dated: 3-7-2004 is appended to, as Annexure II, till further modifications of the list. In respect of Mega projects which are under Pipeline status, the date of commencement of commercial production extended upto 31-03-2012.

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**Conditions:**

Sl. No.	CRITERIA	DOCUMENTS REQUIRED
<b>Required at the time of applying Pipeline Certificate</b>		
1	The unit should achieve its financial closure by 31.03.2010 and should submit a certificate to that effect from the Bank/Financial Institution. In case of the loan is syndicated by a Consortium of Banks/Financial Institutions, the Certificate issued by the Lead Bank need to be produced.	Bank Certificate
2	The unit should obtain Environmental Clearance from Ministry of Environment and Forests, Government of India, wherever applicable and CFE from APPCB on or before 31.03.2010	(i) EIA Certificate from Ministry of Environment and Forests, Government of India. (ii) Consent for Establishment (CFE) from Andhra Pradesh Pollution Control Board.

- 6) Detailed guidelines will be issued by the Commissioner of Industries, Andhra Pradesh, Hyderabad separately.
- 7) The Commissioner of Industries, Andhra Pradesh, Hyderabad shall take necessary action in the matter accordingly.
- 8) This orders issues with the concurrence of Finance (Exp.I & C) Department vide their U.O.No.748/26/Exp.I&C/2009, Dated:29-01-2009.
- 9) Copy of this order is available on Internet and can be accessed at address <http://goir.ap.gov.in>.  
(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**B. SAM BOB,  
PRINCIPAL SECRETARY TO GOVERNMENT &  
COMMISSIONER FOR INDUSTRIAL PROMOTION**

To

The Commissioner of Industries, Andhra Pradesh, Hyderabad.

The Accountant General, Andhra Pradesh, Hyderabad.

Copy to:

The Pay and Accounts Officer, Hyderabad.

All District Collectors/All Heads of Departments./All Departments of Secretariat

The Chairman & Managing Director, A.P.I.I.C., Hyderabad.

The Private Secretary to Chief Secretary, Hyderabad.

The Private Secretary to Additional Secretary to Chief Minister.

All Private Secretaries to the Ministers.

All Government Companies/Corporations.

The Finance (Expenditure- Industries & Commerce) Department.

All General Managers, District Industries Centre in the State.

All Sections in the Department.

SF/Sc.

//FORWARDED :: BY ORDER//

**SECTION OFFICER**